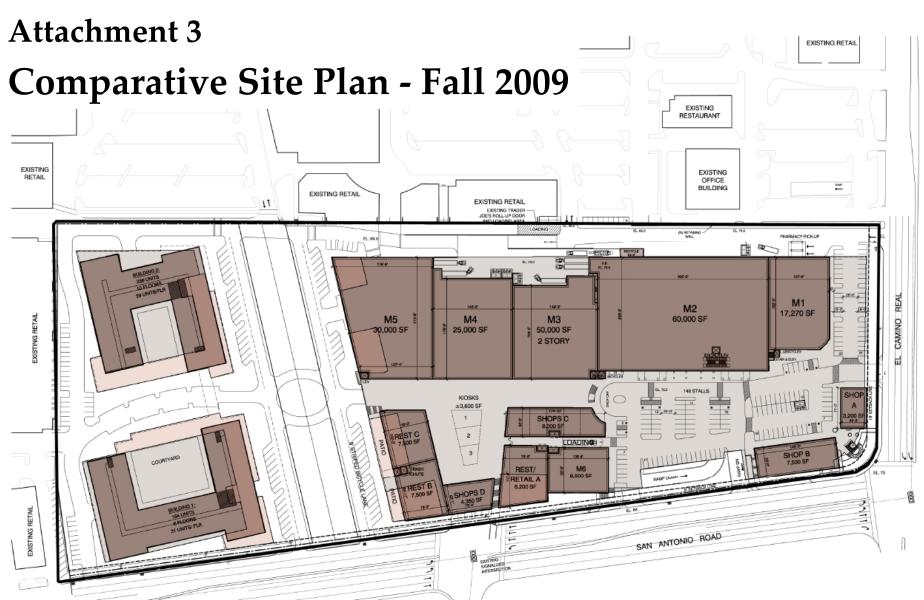
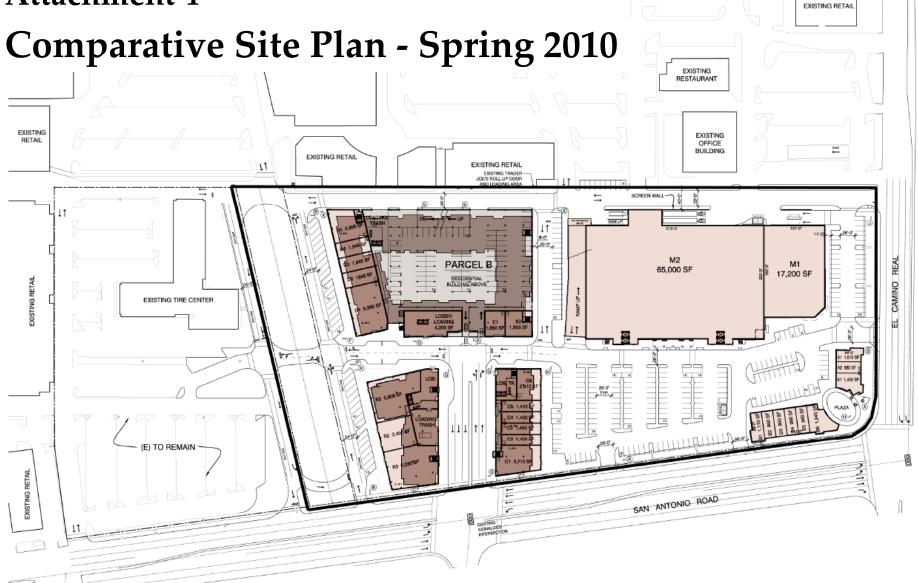
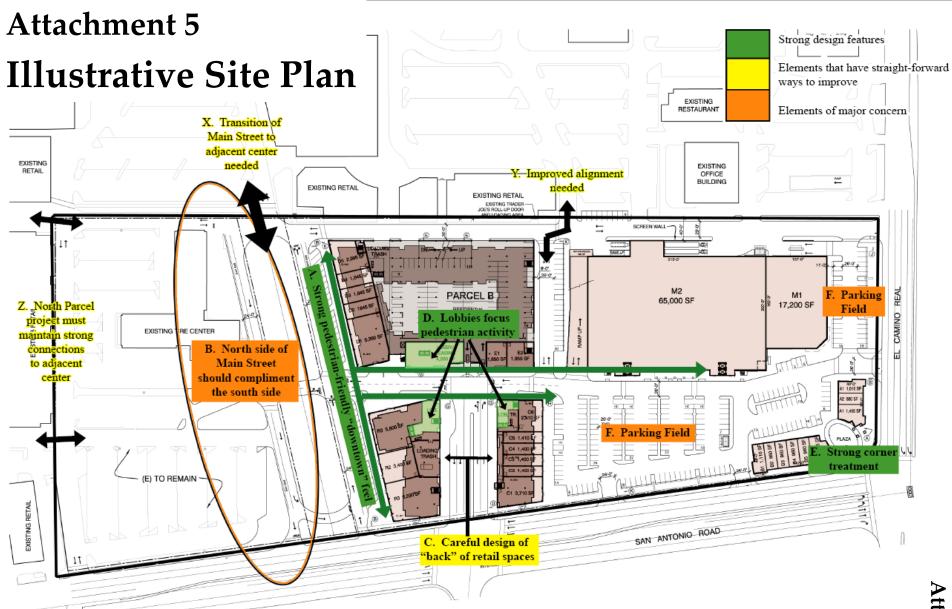
## **Attachment 2** EXISTING RETAIL **Comparative Site Plan - Summer 2009** EXISTING RESTAURANT EXISTING EXISTING OFFICE EXISTING RETAIL EXISTING RETAIL MARKET 60,000 SF 13,300 SF MAJOR B MAJOR A 50,000 SF

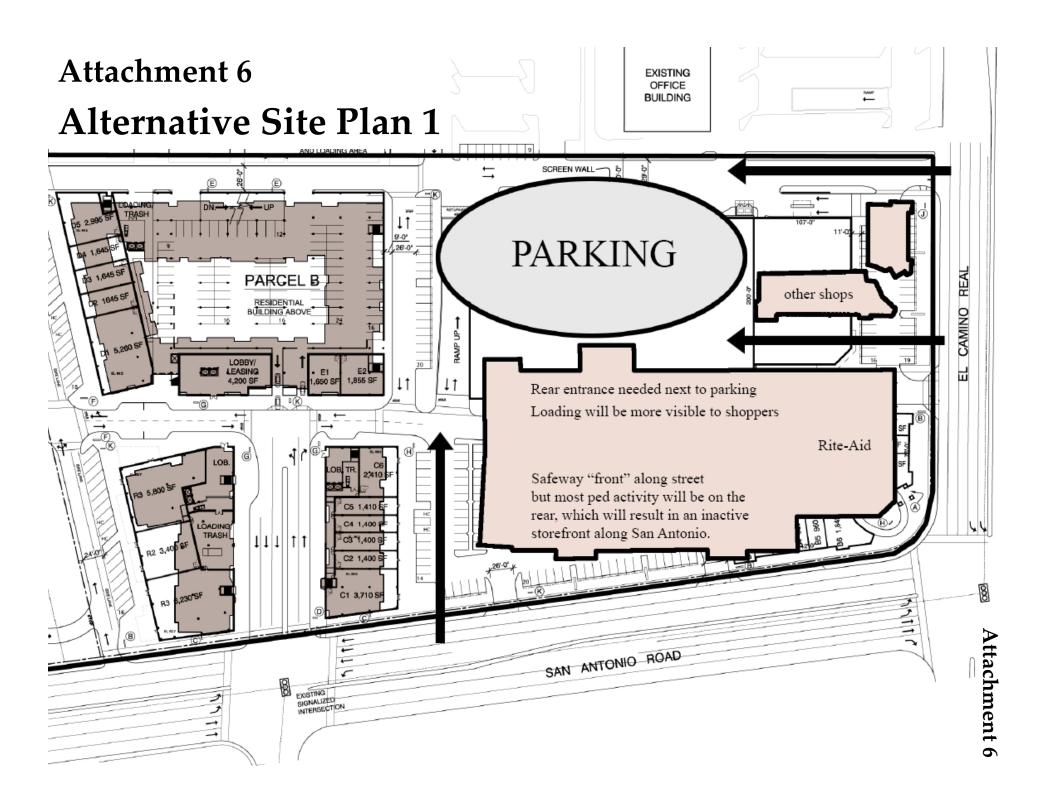
SAN ANTONIO ROAD

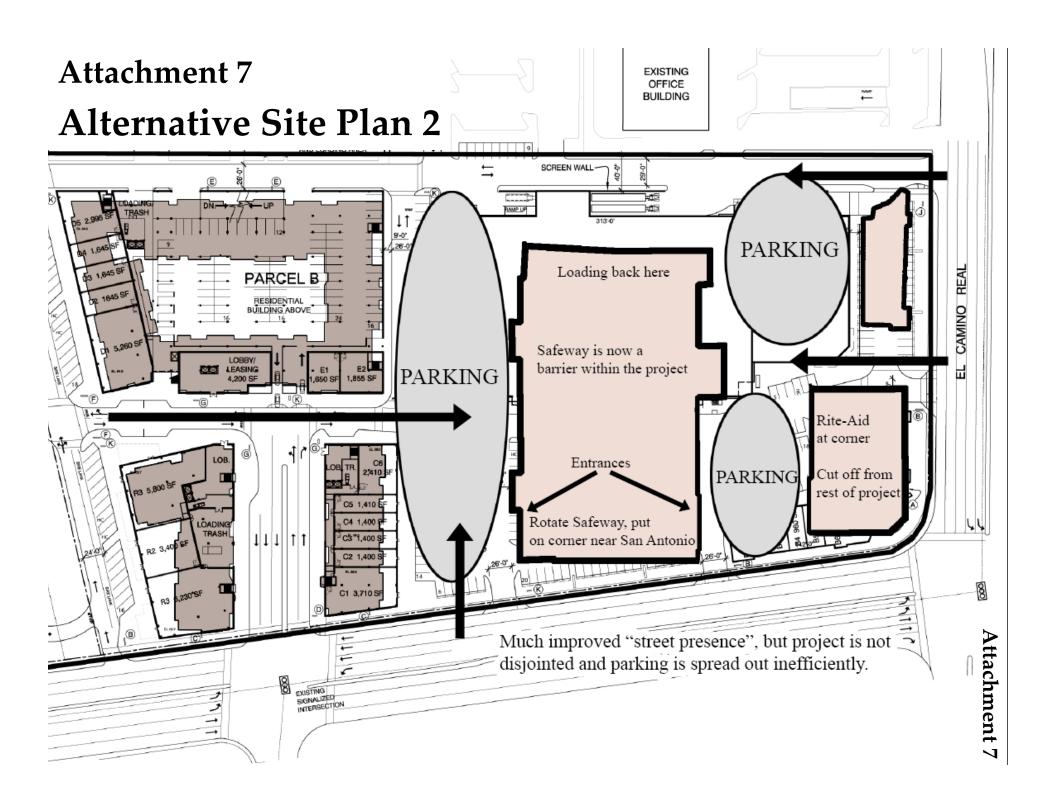


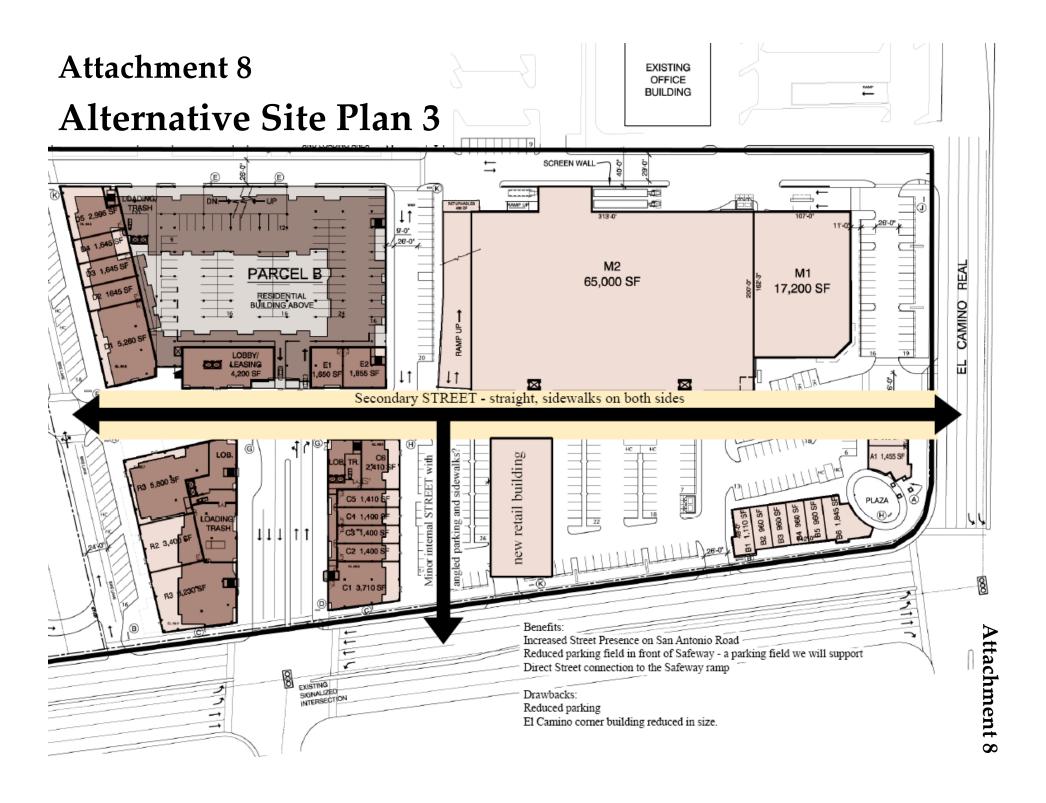
# **Attachment 4**











## CITY OF MOUNTAIN VIEW MEMORANDUM

3.1

DATE:

September 17, 2009

TO:

City Council

FROM:

Randal Tsuda, Community Development Director

Peter Gilli, Zoning Administrator

Nancy Minicucci, Deputy Zoning Administrator

SUBJECT:

SEPTEMBER 22, 2009 STUDY SESSION—SAN ANTONIO SHOPPING

CENTER PROPOSED DEVELOPMENT

## **PURPOSE**

The purpose of this Study Session is to receive input from the City Council regarding the proposed development of a 16.34-acre site located in the San Antonio Center Precise Plan area by Merlone Geier Partners.

## **BACKGROUND**

The San Antonio Shopping Center encompasses properties located within the area bounded by El Camino Real, San Antonio Road, California Street and Showers Drive. The General Plan and the Precise Plan encourage the remodeling of this older regional shopping center and call for the center to be distinctive from the other strip centers nearby. On January 27, 2009, the City Council granted Gatekeeper authorization for General Plan and Precise Plan amendments for the 56-acre San Antonio Shopping Center. The project proponents included two of the majority land ownership interests at the San Antonio Shopping Center: the Thoits Brothers and San Antonio, LLC. Merlone Geier Partners is under contract with the Thoits Brothers to purchase six parcels totaling 16.34 acres.

The project site is located at the northeast corner of El Camino Real and San Antonio Road. The project site currently houses 214,000 square feet of retail development, including Rite Aid, Sports Authority, Sears, Sears Tire Store, Burger King and Quality Tune-Up. The property is bounded by commercial buildings such as Ross, BevMo! and the Milk Pail to the north, San Antonio Road to the west, El Camino Real to the south and 24-Hour Fitness, Trader Joe's, a six-story office building and Chili's to the east. A Hetch-Hetchy (San Francisco Public Utilities Commission) easement crosses the project site in an east/west direction, approximately 325' to 425' from the northern boundary of the project site. The project site is divided into two parcels: the "north" parcel or

Parcel A, a 5.23-acre parcel found on the north side of the Hetch-Hetchy easement and the south parcel or Parcel B, the 11.1-acre parcel located to the south. Staff will refer to these parcels as the "north" parcel and "south" parcel throughout the report.

## Merlone Geier Partners (MGP)

Merlone Geier Partners is a private real estate investment firm focused on the acquisition, development and redevelopment of retail and mixed-use properties in California and adjacent Western states. MGP and its predecessor entity, M&H Realty Partners, have been actively investing in retail property in California since 1994. From 1994 to 2002, M&H acquired, renovated and/or repositioned 50 retail properties totaling nearly 10 million square feet of improvements such as Westgate Mall in San Jose, Gateway Plaza in Vallejo and Esplanade Shopping Center in Oxnard, California.

Merlone Geier Management (MGM) provides all management, leasing and construction services for all MGP and M&H funds. The MGM team consists of a group of real estate professionals with experience in all areas of real estate investment, development, construction, leasing, finance and management.

## Precise Plan

The San Antonio Precise Plan was adopted by the City Council on November 29, 1988. One of the primary objectives of the plan was to provide land use and design criteria to guide the rebuilding and strengthening of the San Antonio Center. The plan encourages extensive redevelopment and consolidation of up to 1.2 million square feet of space (or approximately 0.50 FAR), it allows for incremental change due to the separate ownerships and long-term ground leases and provides the ability to use each property independently. The applicant is proposing to amend and create new sections of the San Antonio Precise Plan in conjunction with a new development project.

## Project Description

## Initial Proposal

In July 2009, Merlone Geier Partners submitted preliminary plans to demolish 214,000 square feet of existing commercial space and construct approximately 442,428 square feet of new retail space with associated below-grade and at-grade parking with several access points along El Camino Real and San Antonio Road (see Sheets A13 and A14.)

The project included the construction of a grocery store with an associated service station, seven national subanchor retailers, four to six restaurants and numerous small

retail shops and boutique offices. At the time, one large retail use measuring 156,050 square feet was proposed on the north side of the Hetch-Hetchy easement with associated subgrade, at-grade and one level of aboveground parking.

During this time, the applicant received inquiries from residential developers and potential retail tenants who were interested in the 5.2-acre "north" parcel. The applicant will continue to consider alternatives for the "north" parcel over the next few months.

Primary vehicular access to the project site was designed using the existing 80' wide Hetch-Hetchy easement as a "main street" with a narrow median separating the four lanes of traffic (in some areas six lanes) and some angled parking spaces. Small-scale shops and boutique offices were proposed to front this proposed "main street." Only small shrubs and trees were proposed in the median due to the restrictions placed by the San Francisco Public Utilities Commission (SFPUC) for large trees with wider canopies. A pedestrian bridge over the existing Hetch-Hetchy easement was proposed to connect the project's plaza area to the storefront of the large-format retailer at the north end of the property.

San Francisco Public Utilities Commission (SFPUC)

In August, staff held two meetings with the applicant and SFPUC Real Estate and Engineering Division staff to discuss how the Hetch-Hetchy easement and associated requirements may affect the project proposal. The key message given by the SFPUC was their need to be able to access the existing pipes at any time should a pipe burst or maintenance be required.

After meeting with the SFPUC, the applicant revised their plans that worked around the design, landscaping and access limitations of the Hetch-Hetchy easement. The "north" parcel was also redesigned to accommodate a mixed-use residential/retail component.

#### <u>ANALYSIS</u>

Overall, the project will revitalize a major portion of the San Antonio Center, replacing aged buildings and underutilized land with new development that will provide new shopping opportunities for residents and strengthen the tax base of the City. Staff considers the revitalization of this site to be a critical component of the City's future and is excited about the opportunity to work with Merlone Geier on this project.

The plans provided by Merlone Geier represent a conceptual vision of the westernmost 16 acres of the 56-acre San Antonio Shopping Center. Several Precise Plan amendments are necessary to implement the proposed project and an Environmental Impact Report

may be required as well. Staff requests Council feedback on the big-picture issues related to the conceptual vision by Merlone Geier. The remainder of the report will discuss major components of the project, with much of the text focusing on improvements that staff believes is necessary for the project to achieve City goals:

- "South" Parcel.
  - San Antonio Road Frontage.
  - Corner of El Camino Real and San Antonio Road.
  - El Camino Real Frontage.
- Main Street (Hetch-Hetchy Easement).
- "North" Parcel.
  - Mixed-Use Residential/Retail.
  - Entertainment/Restaurant Alternative.

## 1. "South" Parcel

San Antonio Road Frontage

A total of 255,215 square feet of commercial building area is proposed on the 11-acre "south" parcel, resulting in a floor area ratio of 0.53 which includes a 60,000 square foot grocery store (Building M2), two large retail buildings ranging in size from 22,500 square feet (Building M4) to 30,000 square feet (Building M5) and one 50,000 square foot, two-story building. The majority of the other tenant spaces range from 3,000 square feet to 8,500 square feet and surround the proposed pedestrian plaza above the podium parking area. The plaza design is currently in the conceptual stage with special paving, landscape pots and outdoor dining areas.

Only one tenant space has a ground-level front entry out to the sidewalk along San Antonio Road (excluding the corner building which is discussed separately).

Building heights range from 30' to 63' on this area. The buildings are proposed to be contemporary in style, predominantly finished with stucco and metal, wood, ceramic and slate tile accents scattered throughout.

The loading areas are proposed along the eastern edge of the property near the existing office building and Trader Joe's. One loading area ramp is tucked in an alley between Shop C and Building M6.

Podium Garage Elevation along San Antonio Road

Extending north from the corner of El Camino Real and taking advantage of the approximately 20' grade differential from south to north, a podium structure will stretch approximately 900' to provide parking beneath the 11-acre "south" parcel. A heavily landscaped podium wall with openings for three entry and exit vehicular points is proposed along a large portion of the San Antonio Road frontage (see Sheets A11.0 and A23.1.) One entry/exit ramp provides vehicular traffic entry to the 117-space parking lot and drop-off area in front of the proposed grocery store. A ramp leading to the parking garage from the at-grade parking structure is also provided in close proximity to San Antonio Road to the podium parking structure (see Sheet A11.1.)

Corner of El Camino Real and San Antonio Road

The applicant is proposing 2 one-story buildings at the corner of El Camino Real and San Antonio Road (see Sheet A11.4.) The smaller of the two buildings facing El Camino Real (Building A) will measure 3,285 square feet while Building B, a 7,980 square foot building, will face San Antonio Road. Both buildings will measure between 25' and 30' in height.

In between the two edges of the building stands a 35' tall tower centering the area. The tower serves two purposes: (1) providing connections from the podium parking level to the upper floor by means of a stairwell and elevator on the side facing the street; and (2) an area for signage and an outdoor fireplace. A very small plaza with decorative landscaping and paving materials faces the edges of the proposed buildings and parking lot. Outdoor seating is proposed in this area.

#### El Camino Real Frontage

The applicant proposes a service station associated with the proposed grocery store along the El Camino Real frontage of the project site. Specifically, a small 450 square foot kiosk and a photovoltaic canopy above eight gasoline pumps are proposed along the frontage. A drive-through lane for a proposed 17,000 square foot pharmacy (Building M1 on Sheet A8), an at-grade parking area and an associated driveway are proposed to front El Camino Real.

The proposed use of a service station is not a permitted use under the existing Precise Plan. A provisional use permit would be required for the proposed service station use per the San Antonio Precise Plan. The current Precise Plan also currently prohibits all drive-through or drive-up operations where food or other products or services may be purchased by motorists without leaving their vehicles. The applicant is proposing to amend the Precise Plan to allow for a drive-through service for pharmacies only.

### "South" Parcel Issues

- <u>Uses</u>. The variety of commercial tenant spaces is encouraged. The drive-through pharmacy window and a service station may not be appropriate on the site.
- <u>Urban Design—El Camino Real Frontage</u>. The El Camino Real frontage consists of a small one-story retail building, a side elevation of a pharmacy with a drive-through pharmacy window and a service station. This does not create a pedestrian-oriented streetscape consistent with the General Plan 2030 Visioning and the Grand Boulevard Initiative. Prominent buildings should front on El Camino Real and residential uses should be considered if major retail buildings are not feasible.
- <u>Urban Design—Corner Gateway</u>. The project offers the City an opportunity to
  establish a strong gateway element at the corner of El Camino Real and San
  Antonio Road. The proposed buildings at the corner of El Camino Real and San
  Antonio Road do not create a strong enough gateway element for the project.
  These buildings should have a stronger presence through design improvements or
  increasing the number of stories and adding office or residential uses to the upper
  floors.
- Urban Design—San Antonio Road Frontage. Limited pedestrian-level interest will be present on San Antonio Road between the corner building and the tenant space at the corner of the new main street. The parking level under the main podium will become more visible as you travel north on San Antonio Road and could result in an unpleasant pedestrian experience. This section of the project will have very little pedestrian-scale interest, although conceptual plans have been developed that show landscape screening for views into the parking level. Providing views from San Antonio Road into the main plaza area on top of the podium would provide the public a view into the activities within the center.

## 2. Main Street (Hetch-Hetchy Easement)

The current conceptual plans show the 80' Hetch-Hetchy easement designed as a linear park with a 12" sunken turf area, interesting curved seat walls and wide sidewalks. Large circular planters with blue plantings are scattered throughout the turf area to create an interesting pool effect. The applicant is creating a tree-lined streetscape by extending the width of the park to place the trees outside the easement area.

The applicant is proposing to have two lanes of traffic on either side of the park with angled parking fronting the proposed retail shops. A large traffic circle is proposed at the center of the easement, providing connections to and from the "north" and "south" parcels of the property. The proposed traffic lanes and parking areas are now outside of the Hetch-Hetchy easement area and, therefore, visitors to the site can still access shops should the SFPUC need to maintain the pipes in the easement area in the future.

The applicant is proposing to front the south side of the main street with shops, restaurants, sidewalks, landscaping and outdoor patios. Building heights range between 45' and 63' in height. Two main podium parking entry driveways are also proposed along this frontage, creating breaks in the wall plane with large driveway openings. Two large curved stairwells are proposed from the plaza to the main street as well as two main podium entry points.

#### **Main Street Issues**

Staff supports the conceptual design of the new main street which will create an original, attractive and dynamic pedestrian and vehicular travelway for the center. Retail tenant spaces will be located directly on the main street. The following issues should be studied further:

- <u>Urban Design—Median Park Details</u>. Detailed analysis of the median park
  design to ensure that intimate and comfortable spaces for users to play,
  interact and people-watch using landscaping, furniture and art. This will
  occur later in the design review process once the overall conceptual site
  design is completed.
- <u>Circulation—Bicycle Path</u>. A bicycle path along the main street or through the median park area is needed.
- <u>Circulation—Master Plan</u>. Further analysis is needed to see how the median park design can be implemented on neighboring properties which will be

part of a master plan that will focus on the circulation network throughout the shopping center.

• <u>Urban Design—Garage Entries</u>. Several vehicular entries to the parking garage are present along the main street. The design of these entries must be carefully reviewed to ensure that they do not dominate the streetscape.

#### 3. "North" Parcel

Mixed-Use Residential

In mid-September, staff received updated plans from Merlone Geier Partners which included a significant change to the design and proposed uses for the "north" parcel. The "north" parcel was originally proposed to have a 156,050 square foot retail anchor building with associated subgrade, at-grade and one level of aboveground parking.

The applicant is now proposing to construct two contemporary residential buildings on the "north" parcel totaling 400 residential units (see Attachment 2). The first building, noted as Building 1 on the plans, is bounded by San Antonio Road, the proposed main street, a new curved eastern driveway separating the two residential buildings and the existing driveway located along the northern edge of the property. This building is proposed to be six stories in height (73.5') with one level of underground parking and one level of aboveground parking. The parking garage walls will be exposed along San Antonio Road and the northern edge of the property.

Wrapping the length of the building wall along the main street are retail and lobby areas measuring a total of 3,595 square feet. A small portion of the retail area is proposed to wrap around the San Antonio Road frontage. Four single-story townhome units face the new curved street. The remaining five stories of residential apartments take a U-shape form and surround a proposed courtyard on three sides. The applicant is proposing a total of 240 units in this building ranging in size from 958 square feet to 1,302 square feet. Access to the underground parking garage is from the northern driveway off San Antonio Road.

The second residential building is proposed across from the curved eastern driveway. This building is proposed to be 10 stories in height (96.5') with one level of underground parking and two levels of aboveground parking. Seven townhome units are proposed along the curved eastern driveway. Retail comprised of 4,400 square feet and a lobby/leasing office measuring 2,900 square feet are proposed to be located on the first two floors along a portion of the main

street. The garage wall extends 50' along the main street and along the northern and eastern frontages of the building. The remaining eight stories of residential apartments also take a U-shape form and surround a proposed courtyard on three sides. Access to the underground parking and parking garage is from the rear of building along the eastern portion of the site. A proposed pedestrian bridge links Building 1 to Building 2.

#### Entertainment Alternative

As an alternative, the applicant has developed conceptual plans showing a two-story structure over podium parking comprising 30,100 square feet of retail and restaurant space along the main street and a 2,200-seat cinema on the second floor (see Attachment 3). A prominent retail or restaurant space is placed at the corner of San Antonio Road and the main street. Parking garage walls will be exposed on the ground level along the remainder of the San Antonio Road frontage and the northern and eastern edges of the property. Pedestrian access to the cinema lobby from the main street is provided with two large staircases.

#### "North" Parcel Issues

 <u>Uses</u>. Feedback from the 2030 General Plan Visioning process show that there is public support for residential uses in the San Antonio Shopping Center. Staff supports residential uses in well-designed and appropriately scaled buildings. Adding residential units to the Precise Plan would require an amendment to the General Plan.

A cinema may be an acceptable use as long as it is designed in a manner that will encourage cinema visitors to utilize nearby restaurants and stores in the San Antonio Shopping Center.

- <u>Urban Design—Main Street</u>. Staff supports the conceptual designs for the main street elevation of the residential and entertainment alternatives showing groundlevel retail and service spaces.
- <u>Urban Design—San Antonio Road</u>. Staff recommends commercial storefronts along the entire San Antonio Road frontage. The current proposals for the "north" parcel have portions of the San Antonio Road frontage that consists only of a parking garage. Those areas should be redesigned to provide an active presence on the street.

- <u>Urban Design—Other Elevations</u>. Staff is concerned with the exposed garage
  walls along the north and eastern edges of the "north" parcel. Pedestrian-friendly,
  ground-level spaces are essential on all sides of these buildings.
- <u>Urban Design—Building Heights (Residential)</u>. The residential building closest to San Antonio Road would be five stories while the other would be 10 stories (96.5' tall), which is slightly lower than Avalon Towers on El Camino Real near Ortega Avenue. Council feedback on the topic of accepting a long-term vision for the shopping center with buildings in the 80' to 100' height range is needed at this time.

#### **NEXT STEPS**

Following this Study Session, the applicant will continue to work with staff and the neighboring properties on the proposed Precise Plan amendments for the entire San Antonio Shopping Center. Staff has requested that Merlone Geier provide a master plan for the entire center with the emphasis on the circulation network of vehicular, pedestrian and bicycle routes to ensure proper integration.

The applicant will also continue to narrow down the project scope so the environmental consultant can begin the CEQA analysis for the project and hold a scoping meeting with the public. Staff will continue to engage Council and the neighboring property owners as the project proposal evolves.

#### **COUNCIL FEEDBACK**

Council feedback on the following points raised in the staff report, or any other issues in the project or the shopping center as a whole, is requested.

#### "South" Parcel

- 1. <u>Uses</u>. Discourage service station and pharmacy with drive-through window uses. Consider mixed-use residential if it accomplishes the urban design issues below.
- 2. <u>Urban Design—El Camino Real Frontage</u>. Place prominent buildings on El Camino Real, possibly with residential uses.
- 3. <u>Urban Design—Corner Gateway</u>. Emphasize and strengthen the corner gateway.
- 4. <u>Urban Design—San Antonio Road Frontage</u>. Increase pedestrian-level interest on San Antonio Road between the corner building and the tenant space at the corner of the new main street.

#### Main Street

- 1. <u>Urban Design—Median Park Details</u>. Detailed designs will come later in the process.
- 2. <u>Circulation—Bicycle Path</u>. A bicycle path along the main street or through the median park area is needed.
- 3. <u>Circulation—Master Plan</u>. Further analysis is needed to see how the median park design can be implemented on neighboring properties.
- 4. <u>Urban Design—Garage Entries</u>. Carefully design the vehicular entries to the parking garage along the main street.

## "North" Parcel

- 1. <u>Uses</u>. Does the Council have a preference between mixed-use residential and a cinema?
- 2. <u>Urban Design—Main Street</u>. Support the ground-level spaces Merlone Geier proposes.
- 3. <u>Urban Design—San Antonio Road</u>. Pedestrian-friendly, ground-level spaces instead of garage elevations.
- 4. <u>Urban Design—Other Elevations</u>. Pedestrian-friendly, ground-level spaces instead of garage elevations.
- 5. <u>Urban Design—Building Heights (Residential)</u>. Does the Council envision the shopping center with buildings in the 80' to 100' height range?

Other (includes any discussion about the rest of the center)

## **PUBLIC NOTICING**

Noticing of this Study Session included an agenda posting and individual notices mailed to all property owners within 1,000' of the subject property. In addition, the meeting agenda is advertised on Channel 26 and the agenda and staff report are posted on the City's web site at www.mountainview.gov.

Prepared by:

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NM/PG/9/CAM 887-09-22-09M-E^

Attachments: 1.

- Site Plan and Architectural Plans
- 2. Residential Plans
- 3. Cinema Alternative Plans
- 4. Planning Notes